



HELLENIC REPUBLIC ASSET  
DEVELOPMENT FUND

**HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A.**

**1 Kolokotroni & Stadiou Str., 105 62, Athens, Greece**

**INVITATION TO SUBMIT A PROPOSAL FOR AN**

**INDEPENDENT VALUATION OF**

**A PROPERTY LOCATED IN "KATO KORAKIANA" AREA, ISLAND OF CORFU**

***Athens, April 10<sup>th</sup> 2014***

## **A. Introduction**

Law 3986/2011 prescribes that any assets to be exploited by the Hellenic Republic Asset Development Fund SA (the **HRADF**) shall be evaluated by an independent valuer (the **Valuer**), appointed by means of a tender procedure provided in HRADF's Procurement Regulation (recently amended and codified by Decision 2/16128/0025 of the Minister of Finance, Government Gazette B/476/2014) (the **Regulation**).

In the above context, HRADF hereby invites experienced and specialized domestic and international valuers to submit a proposal in relation to the scope of work described below (the **Invitation**).

## **B. Scope of Work**

The Valuer is expected to deliver an independent opinion on the value of a specific real estate asset located in the North-Eastern part of Corfu Island, in the Ionian Islands, 14 km from the town of Corfu in the Kato Korakiana area of the Municipality of Corfu (the **Asset**).

The size of the Asset is 83,844 sq.m., out of which 77,019 sq.m. (the **Property**) refer to the area to be exploited by a potential investor. The remaining area of 6,826 sq.m. of the Asset has been granted for use to the National Gallery and is therefore excluded.

The Property includes a building known as "Castello" (1,968.25 sq.m.) and four auxiliary buildings (457,44 sq.m.).

"Castello", a neo-Gothic style building, built in 1900, served as the mansion of the Italian admiral Bibelli until 1940 and was last used as a luxury hotel (1957-1982). The Valuer shall take into account all relevant legislation and planning regulations applicable to the Asset. This may include (as appropriate or relevant), but is not limited to (i) Law 4179/2013, which refers to tourism accommodation, and (ii) Articles of Law 3986/2011, which refer to the right of surface as well as to the Special Public Real Estate Area Development Plans (the **SPREADeP** or "ESCHADA"). In this context, the HRADF may provide the Valuer with a limited number of scenarios

which involve various combinations of alternative SPREADeP's, in which case the Valuer may be expected to consider each individually.

The valuation report and the supporting documentation should be prepared in the Greek language, with an executive summary in English, and should include, but not be limited to the following:

- executive summary;
- full description of the Asset and of the Property;
- comprehensive supply-demand analysis of the market in which the development of the Property is expected to compete;
- detailed presentation of the valuation method(s) applied, including relevant inputs, assumptions and calculations.
- estimation of the objective value of the Property and reasoning of potential difference between objective value and estimated valuation.

The Valuation Reports shall be presented by the valuator to the HRADF's Committee of Experts and to the Board of Directors, as well as to any other entity as required by HRADF.

The assignment will also include, upon written request of HRADF, the submission of a valuation update of the Property within a period of eight (8) months from the initial valuation date.

The maximum duration of the engagement should be twenty (20) days from delivery of all relevant documents.

The maximum available amount to be paid by HRADF to the Valuer for the assignment described herein is EUR 10,000 (plus VAT).

### **C. Qualification Criteria**

It is clarified that, due to the particularities of the scope of work, it is possible for entities or persons specializing in different fields to submit bids as part of a consortium.

Interested Valuers must satisfy the following qualification criteria:

- Track record for the last five (5) years providing sufficient evidence of experience in the valuation of similar, as per type and size, properties,
- At least one (1) leading member of the Valuer's team that will undertake the valuation must be a Certified Valuer by a Greek or other European (EU Member State) regulating body. The certification of the Valuer must be according to RICS or TEGOVA standards. Also the signatory or one of the cosignatories of the valuation must be a Certified Valuer as described above.
- The Valuer and the members of its team that will perform the valuation must be independent in accordance with the provisions of Law 3986/2011. The Valuer and the members of its team that will perform the valuation must declare their independence in writing.
- Professional indemnity insurance of an annual minimum of EUR 2 million per incident. The professional indemnity insurance certificate should also be provided.

#### **D. Required Proposal Content**

All submitted proposals shall include the following:

- Presentation of the proposed approach to the assignment, critical issues and methodologies, including a timeline.
- Brief description of the Valuer's organisational structure and activities in Greece and internationally.
- Composition of the team that will perform the valuation:
  - I. brief CV of each team member;
  - II. description of each team member's relevant experience.
- A confirmation that neither the Valuer nor any members of its team that will perform the valuation have any conflict of interest with respect to the activities described in the scope of work and the qualification criteria above. Such declaration as to the conflict of interest will be in effect throughout the term of the valuer's engagement.
- Initial list of documents the Valuer considers necessary to be provided for performing the valuation.
- Proof that the Valuer meets the qualification criteria set forth above.

- Proposed fees and fee structure.

#### **E. Tender Process**

The tender process for the award of the assignment described herein (the **Tender**) is governed by Article 2.3 of the HRADF's aforementioned Procurement Regulation and shall broadly take place as follows:

- Interested Valuers must submit their proposal to HRADF, together with any other necessary documentation, via e-mail, to [info@hraf.gr](mailto:info@hraf.gr), marked **"INDEPENDENT VALUER FOR A PROPERTY LOCATED IN Ano Korakiana area, CORFU.**
- Additionally, a hard copy of such offer may also, at the discretion of the interested valuers, be submitted, in a sealed envelope, at the offices of HRADF (1 Kolokotroni & Stadiou Str., 7th Floor, 105 62 Athens, Greece). Offers must be submitted no later than the April 22nd, 17:00, Athens time, irrespective of the way of submission.
- HRADF reserves the right to request additional documents and/or clarifications and/or information from the interested Valuers in connection with any issues related to their proposals.
- HRADF reserves the right to enter into discussions and negotiations with the interested Valuers for the improvement of the bids received.

#### **F. Evaluation of proposals**

HRADF shall assess the duly submitted proposals from interested Valuers against the qualification criteria and their financial offer. Upon penalty of disqualification the professional indemnity insurance certificate should be provided, as well as proof of certification of the Valuers according to RICS or TEGOVA standards.

For the evaluation, the following criteria will be taken into account:

- Relevant experience (grading 1-4, 4 points being the highest)
- Team composition (grading 1-4, 4 points being the highest)
- Approach to the assignment, methodology, critical issues, timeline (grading 1-4, 4 points being the highest)

- Financial offer (points awarded as per the formula  $4 \cdot (1 - (\text{interested valuer's offer} - [\text{lowest offer}]) / [\text{lowest offer}])$ ), 4 points being the highest)

The independent valuation will be awarded on the basis of the highest total score.

### **G. Disclaimers**

HRADF reserves, at its absolute discretion, the right to repeat, cancel, suspend, amend or postpone without any prior notice the Invitation and/or the Tender, as well as to terminate any negotiations or discussions at any stage of the Tender, without incurring any liability whatsoever against any interested and/or participating Valuer and/or any third party.

The submission of a proposal constitutes full and unconditional acceptance of the terms and conditions of the Invitation and the Tender.

No person acquires any right or claim for compensation or other against HRADF from the Invitation and/or its participation in the Tender, for any reason or cause whatsoever. All proposals become property of HRADF after their submission. Participating valuers give HRADF the right to reproduce and disclose their proposals for any purpose in connection with the Invitation and/or the Tender and/or the fulfillment of HRADF's legal functions. HRADF may be required to disclose certain information and/or documents relating to the proposals to the Greek Parliament, within the powers and privileges of the latter or within the statutory functions of its officials, to a court during legal proceedings or to any administrative authority or body in relation to the fulfillment of its statutory functions. HRADF may be required to disclose information acquired in response to requests for information, subject to any related exceptions.

Any disputes arising out of or in connection with the Invitation and/or the Tender shall be subject to the exclusive jurisdiction of the competent courts of Athens, Greece, and Greek law shall apply.